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SENATE BILL 8006 By
Cooper

HOUSE BILL 17 of the Second Extraordinary Session
By Kisber

AN ACT to amend Tennessee Code Annotated, Title 50; Title 56;
Title 67 and Title 71, relative to insurance related taxation,
including health care coverage offered through the
TennCare program, or schedule of fees pertaining thereto.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-2109, is amended by adding
the following language as a new, appropriately designated subsection:

() In accordance with Section 2 of this act, there shall be credited upon the tax
hereby imposed the employer's share of the insurance premium paid for any employee
who is included as a covered employee under the employer's health care plan if such
employee was receiving health care coverage under the TennCare program prior to
being included in such employer's plan.

SECTION 2. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by
adding the following language as a new, appropriately designated section:

Section _____. IF a person is employed by an employer who as a benefit for
employment provides health care insurance or is self insured and provides coverage
meeting the requirements of §56-7-2208 as determined under the Tennessee Small
Employer Group Health Coverage Reform Act; and

IF an employee who is receiving health care coverage under the TennCare
program, ceases to be covered under the TennCare Program and is included as a
covered employee under the employer's health care plan;

THEN the employer is eligible to receive a credit from the employer's combined franchise/excise tax liability equal to that portion of the employer's share of the insurance premium paid for such employee.

Such credit shall be available as long as the employee continues to be covered under the employer's health care plan.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.